Brookfield Global Renewables and Sustainable Infrastructure UCITS Fund Sustainable Investment Objective Disclosures

Summary

No significant harm to the sustainable investment objective

The Investment Manager's approach for its sustainable investments to not cause significant harm to any environmental or social objective includes the following guidelines: (i) full or partial exclusion of companies that derive revenues from activities related to tobacco, weapons, unconventional oil & gas, conventional oil & gas, coal and power generation; (ii) mitigation of the impact of fossil fuels through the binding elements of the strategy which puts thresholds in place on the maximum level of exposure to a company's fossil fuel activities; and (iii) the Fund seeks to ensure that the investee companies in which it invests follow good governance practices.

The Investment Manager takes into account the mandatory principal adverse indicators (PAI) to determine both a positive alignment to the sustainable investment objective of the Fund as well as ensuring there is no significant harm to the sustainable investment objective. In addition, the Investment Manager confirms whether each investee company is a signatory of the UN Global Compact and the associated UN Guiding Principles.

Sustainable investment objective of the financial product

The Fund's sustainable investment objective is to have a positive environmental impact with alignment to global renewables, sustainable infrastructure activities, and / or supporting the global transition towards a lower-carbon future. This is achieved primarily through the Fund's ESG-focused screening processes and its investment in sustainable investments within the meaning of Article 2(17) of SFDR, which will typically be securities of global renewables and sustainable infrastructure companies.

These sustainable investments, in contributing to the Fund's sustainable investment objective, will seek to mitigate the impact of fossil fuel-based infrastructure assets while providing important social benefits, these investments will also seek to positively contribute to the following objectives: (i) positive environmental impact (e.g., decarbonization) on resource consumption; (ii) affordability and equitable access to essential resources & infrastructure systems for all end consumers; and (iii) reliability, resilience, and security of essential infrastructure systems.

Investment strategy

As outlined in the Supplement's Investment Policy section, the Fund seeks to achieve its investment objective and its sustainable investment objective by investing primarily in equity securities of global renewables and sustainable infrastructure ("GRSI") companies listed or traded on a Recognized Market.

Proportion of investments

The Fund invests at least 80% of its assets in GRSI companies (and deemed to be sustainable investments within the meaning of SFDR) and which are used to meet the Fund's sustainable investment objective. Within this commitment of 80%, 100% of the investments are used to meet the Fund's sustainable investment objective and 0% qualify as environmentally sustainable under the EU Taxonomy. The Fund invests at most 20% of its assets in Not Sustainable investments, which are defined as cash or money market instruments which may be held as ancillary liquidity, or derivatives used for hedging purposes.

Monitoring of sustainable investment objective

All securities of issuers are subject to sustainability analysis both before purchase and on an ongoing basis while held in the Fund's portfolio. The Fund's binding elements and its asset eligibility criteria address a company's environmental footprint, alignment with global organisations and industry norms, and restricted exposure to controversial industries. The Investment Manager reviews indicators for adverse impacts and sustainability factors at minimum on an annual basis and also on an ad hoc basis as needed and as data is made available. The Investment Manager employs the following binding elements to select the investments to attain the sustainable investment objective: (i) only investing in GRSI companies; and (ii) full exclusions and partial exclusions of companies who derive revenue from certain activities (e.g., oil & gas, coal).

Methodologies

The Investment Manager is responsible for determining whether an investment meets the criteria for a sustainable investment. The Fund's investment eligibility process examines the magnitude of companies' impact towards environmental sustainability, and the environmental and/or social objectives to which the Fund's sustainable investments will contribute are: (i) positive environmental impact (e.g., decarbonization) on resource consumption; (ii) affordability and equitable access to essential resources & infrastructure systems for all end consumers; and (iii) reliability, resilience, and security of essential infrastructure systems.

The Investment Manager measures the attainment of the sustainable investment objective through the following four key areas: (i) the positive contribution of business activities; (ii) exclusionary screening; (iii) Sustainable Development Goal (SDG) alignment, and (iv) Weighted Average Carbon Intensity (or WACI).

Data sources and processing

In connection with its sustainable investment objective on behalf of the Fund, the Investment Manager utilizes internal research developed from its review and analysis of direct company materials, regulatory filings, materials published by third party organizations and third party ESG systems that collect data from different external providers. Data quality is ensured through company engagement and annual due diligence on third party data providers and is processed to confirm the binding elements of the strategy.

Limitations to methodologies and data

The Investment Manager is dependent upon information and data that may be incomplete, inaccurate or unavailable and may encounter certain limitations related to its methodologies. These limitations could adversely affect the Investment Manager's methodologies relevant to a particular Fund investment or holding. Such limitations may include the lack of uniform regulatory regimes, the lack of otherwise relevant data regarding certain operating companies, limited transparency on the sources underlying such data, the frequency and timeliness with which such data is made available or updated, and the lack of universally accepted ESG/Sustainability oriented metrics across industries. The Investment Manager seeks to address these challenges by engaging directly with the companies and relevant industry groups, and monitoring company news regularly.

Due diligence

All issuers are subject to sustainability analysis before their securities are purchased and ongoing analysis during the pendency of an investment. This includes impact on climate change and other environmental issues, negative impacts on social and employee matters, human rights, and the fight against corruption and bribery. The Investment Manager's analysis covers the following topics: (i) involvement in controversial business practices based on internationally recognised norms, including the UN Global Compact; (ii) management of sustainability risks; (iii) a climate rating for measuring the transition to a low-carbon economy; and (iv) compliance of companies with the objectives of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change. In addition, the Investment Manager may also rely on the sustainability assessment of an external provider, MSCI ESG Manager, to evaluate the above criteria.

Engagement policies

The primary means through which the Investment Manager engages with companies is regular engagement with management teams. The goal of these engagements is to persuade management teams to employ best practices around corporate governance and to incorporate strategies that promote sustainable, long-term growth. The Investment Manager has engaged Institutional Shareholder Services Inc. ("ISS"), an independent, third-party subject matter expert, to act as the Fund's agent to vote proxies. The Investment Manager believes that utilizing an independent third party's framework and analysis helps to ensure that all proxy voting decisions are made in the best interest of the Fund.

Attainment of the sustainable investment objective

The Fund does not currently have a reference benchmark designated for the purpose of attaining the sustainable investment objective.

No significant harm to the sustainable investment objective

The Investment Manager's approach for its sustainable investments to not cause signifcant harm to any environmental or social objective includes the following guidelines:

(1) The Fund fully excludes companies that derive revenues from activities related to: tobacco; weapons (controversial or manufacturing); unconventional oil & gas; conventional oil & gas (exploration, extraction, or refining of oil & gas); and coal (exploration, mining, extraction, transportation, distribution or refining).

(2) The Investment Manager has mitigated the impact of fossil fuels through the binding elements of the strategy which puts thresholds in place on the maximum level of exposure to fossil fuel activities undertaken by a company.

(3) The Fund seeks to ensure that the investee companies in which it invests follow good governance practices. For example, the Fund monitors each investee company's alignment with the following frameworks (also detailed below):

a. UN Global Compact;

b. UN Guiding Principles on Business and Human Rights ("UNGPs");

c. OECD Guidelines for Multinational Enterprises (as applicable); and

d. ILO Conventions

The Investment Manager takes into account the mandatory principal adverse indicators (PAI) to determine that investee companies are doing no significant harm to the environmental or social objectives. In particular, the Fund relies on investee companies adhering to explicit criteria (e.g., PAI 10) as well as reporting ongoing targets (e.g. PAI 1 – 3) to determine both a positive alignment to the sustainable investment objective of the Fund as well as ensuring there is no significant harm to the sustainable investment objective. Some PAIs are considered but are not binding elements for the Fund, as access to relevant data has areas for improvement (e.g., PAI 7).

The Fund incorporates the Investment Manager's approach to considering principal adverse impacts on sustainability factors is implemented through the consideration of the following PAIs:

i. GHG Emissions (1) & Carbon footprint (2)

   a. Limiting companies in power generation to demonstrate carbon emissions intensity less than 354 (scope 1 & 2 grams/KWh).

   b. Conducting a net zero analysis of the portfolio to determine portfolio trajectory and engagement opportuniteis with companies that do not demonstrate progress in reducing aboslute emissions or setting ambitious targets.

ii. Exposure to companies in active in the fossil fuel sector (3)

   a. Excluding or limiting companies with activities in coal or nuclear power generation, and unconventional oil and gas.

iii. Share of non-renewable energy consumption and production (4)

   a. Identifying companies in positively contributing activities such as renewable energy generation, battery & storage, as well as, clean technology supporting the use and base load power of renwable energy generation.

iv. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (14)

   a. Excluding companies involved in weapons (controversial or manufacturing).

In addition, the Fund's binding elements and its asset eligibility criteria address a company's environmental footprint, alignment with global organisations and industry norms, and restricted exposure to controversial industries. For example, the Investment Manager uses these exclusions to identify appropriate companies that do not have high thresholds of carbon intensity. For example, the Fund fully excludes companies that derive revenues from activities related to: tobacco; weapons (controversial or manufacturing); unconventional oil & gas; conventional oil & gas (exploration, extraction, or refining of oil & gas); and coal (exploration, mining, extraction, transportation, distribution or refining). The Fund has additional screening criteria that is incorporated through its binding elements which are detailed in the Fund's Annex III. The Investment Manager reviews indicators for adverse impacts and sustainability factors at minimum on an annual basis and also on an ad hoc basis as needed and as data is made available. The Investment Manager continually reviews and adjusts its approach as the availability of relevant data evolves.

Based on available information at the time of investment, the Investment Manager confirms whether each investee company is a signatory of the UN Global Compact and the associated UN Guiding Principles. Additionally, in the context of an incomplete and developing data landscape, the Investment Manager monitors whether portfolio companies either directly or indirectly report alignment to OECD and UN Global Compact principles and existing policies that may address issues such as human rights, bribery and corruptions, labour rights, child labour, discrimination, health and safety, and collective bargaining.

Sustainable investment objective of the financial product

The Fund's sustainable investment objective is to have a positive environmental impact with alignment to global renewables, sustainable infrastructure activities, and / or supporting the global transition towards a lower-carbon future. This is achieved primarily through the Fund's ESG-focused screening processes and its investment in sustainable investments within the meaning of Article 2(17) of SFDR, which will typically be securities of global renewables and sustainable infrastructure companies.

These sustainable investments, in contributing to the Fund's sustainable investment objective, will seek to mitigate the impact of fossil fuel-based infrastructure assets while providing important social benefits, these investments will also seek to positively contribute to the following objectives:

i. positive environmental impact (e.g., decarbonization) on resource consumption;

ii. affordability and equitable access to essential resources & infrastructure systems for all end consumers; and

iii. reliability, resilience, and security of essential infrastructure systems

The Investment Manager considers all three objectives to have important social benefits, but more explicitly through objectives (ii) and (iii) (e.g. the benefits for affordable clean energy to low income households).

A reference benchmark has not been designated for the purpose of attaining the sustainable investment objective.

Investment strategy

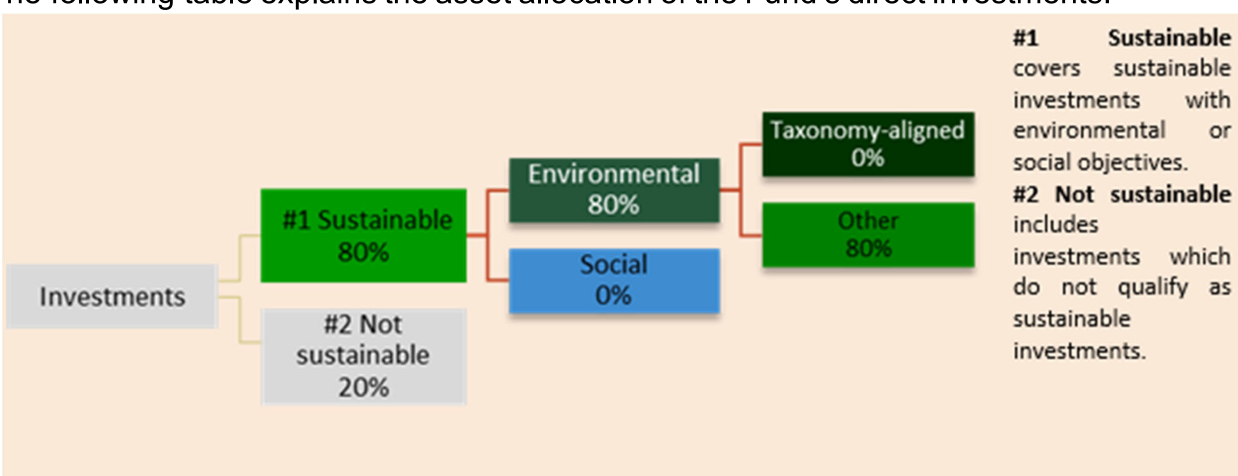
As outlined in the Supplement's Investment Policy section, the Fund seeks to achieve its investment objective and its sustainable investment objective by investing primarily in equity securities of global renewables and sustainable infrastructure ("GRSI") companies listed or traded on a Recognized Market. All securities of issuers of equities and/or corporate bonds, as appropriate, are subject to sustainability analysis both before purchase and on an ongoing basis while held in the Fund's portfolio.

Additionally, the Investment Manager may also utilize sustainability assessments and data of an external third party data providers to supplement the Investment Manager's due diligence process. The Investment Manager actively monitors relevant press releases, research and news updates, in addition to the sustainability assessments of external data providers regarding any potential violation of the ten principles of the UN Global Compact.

Please refer to the Supplement's Investment Policy section for further details on the various instruments which the Fund may use to achieve its investment objective and sustainable investment objective.

Proportion of investments

The following table explains the asset allocation of the Fund's direct investments:



The Fund commits to investing a minimum of 80% of its assets in sustainable investments, as defined under Article 2(17) of SFDR. The Fund does not make indirect investments.

Monitoring of sustainable investment objective

The following internal and external control mechanisms are used by the Investment Manager to select the investments to attain the Fund's sustainable investment objective, and also as part of the monitoring process for the Fund.

Binding Elements:

i. The Fund only invests in GRSI companies as explained above.

1. The Fund defines eligible investments (which in turn assists the Investment Manager in determining whether a sustainable investment has made or is making a positive contribution to a particular environmental and/or social objective) as, at the time of purchase, securities of any company that makes or derives at least 50% of any of its: (i) revenues; (ii) cash flow; (iii) regulated assets base; and/or (iv) capital expenditures from any, or a combination of, the following business activities :
    a. renewable energy sources, including:
        i. generation: wind, solar, and other forms of clean power (e.g., biomass);
        ii. batteries and storage: storage and electrification technology (e.g., clean hydrogen); and/or
        iii. manufacturing: renewable energy products and/or services.
    b. electric transmission and distribution networks.
    c. water and waste infrastructure, including:
        i. water utilities; and/or
        ii. circular economy (promotion of the redesign of products and systems to minimize waste and enable greater recycling, reuse of materials, and methane capture for renewable natural gas).
    d. clean technology, including grid modernization, energy efficiency, smart grid technology and efficient materials and equipment.
    e. data storage and transmission.

ii. If a company derives recurring revenue >0% from any of the following activities, it is excluded:
1. Tobacco: full exclusion
2. Weapons (controversial or manufacturing): full exclusion
3. Unconventional Oil & Gas: full exclusion
4. Conventional Oil & Gas (exploration, extraction, or refining of oil & gas): full exclusion
5. Coal (exploration, mining, extraction, transportation, distribution or refining): full exclusion

iii. If a company derives recurring revenue from any of the following activities, there are partial exclusions based on the below criteria:
1. Conventional Gas Transportation: companies shall meet at least one of the following criteria to be considered for inclusion:
    a. Have a SBTi target set at well-below 2°C or 1.5°C, or have a SBTi ‘Business Ambition for 1.5°C’ commitment
    b. Derive less than 5% of its revenues from oil and gas-related activities
    c. Have less than 15% of CapEx dedicated to oil and gas-related activities and not with the objective of increasing revenue
    d. Have more than 15% of CapEx dedicated to contributing activities

2. Power Generation: companies shall meet the following criteria to be considered for inclusion:
    a. Coal Power Generation: <10% of revenues, cash flow, and / or regulated asset base in base investment year
    b. Natural Gas Generation: <30% of revenues, cash flow, and / or regulated asset base in base investment year
    c. Nuclear Power Generation: <30% of revenues, cash flow, and / or regulated asset base in base investment year
    d. Absolute production of or capacity for coal-based or nuclear-based energy related products/services must not be structurally increasing
    e. Absolute production of or capacity for contributing products/services must be increasing
    f. Additionally, companies must meet at least one of the following criteria:
        i. Set its SBTi target at well-below 2°C or 1.5°C, or have a SBTi 'Business Ambition for 1.5°C' commitment
        ii. Derive more than 50% of its revenues from contributing activities
        iii. Dedicate more than 50% of its capital expenditures to contributing activities
        iv. Demonstrate carbon emissions intensity (Scope 1 & 2 grams / kWh) of <354 in 2023 trending to <315 in 2025 (post 2025, the company should meet one of the previous criteria)
3. Additionally, we expect companies with meaningful generation activities (>30% of business activities) to have GHG reduction targets: >25% reduction target over a 10-year period.

Normative Based Screening:

Based on available information at the time of investment, the Investment Manager confirms whether each investee company is a signatory of the UN Global Compact and the associated UN Guiding Principles. Additionally, in the context of an incomplete and developing data landscape, the Investment Manager monitors whether portfolio companies either directly or indirectly report alignment to OECD and UN Global Compact principles and existing policies that may address issues such as human rights, bribery and corruptions, labour rights, child labour, discrimination, health and safety, and collective bargaining.

Methodologies

The Investment Manager is responsible for determining whether an investment meets the criteria for a sustainable investment. The Fund's investment eligibility process examines the magnitude of companies' impact towards environmental sustainability, and the environmental and/or social objectives to which the Fund's sustainable investments will contribute are:

i. positive environmental impact (e.g., decarbonization) on resource consumption;

ii. affordability and equitable access to essential resources & infrastructure systems for all end consumers; and

iii. reliability, resilience, and security of essential infrastructure systems

The Investment Manager measures the attainment of the sustainable investment objective through the following four key areas: (1) the positive contribution of business activities; (2) exclusionary screening; (3) Sustainable Development Goal (“SDG”) alignment, and (4) Weighted Average Carbon Intensity (or WACI).

(1) Positive Contribution

Determining positive contribution of business activities: the Investment Manager determines that a sustainable investment has made or is making a positive contribution to a particular environmental and/or social objective (as set in (i) to (iii) above) where, at the time of purchase and on an on-going basis thereafter, an investee company makes or derives at least 50% of any of its: (i) revenues; (ii) cash flow; (iii) regulated assets base; and/or (iv) capital expenditures from any, or a combination of, the following business activities.

i. renewable energy sources, including: generation (wind, solar, and other forms of clean power (e.g., biomass)); batteries and storage (storage and electrification technology (e.g., clean hydrogen)); and/or manufacturing (renewable energy products and/or services).

ii. electric transmission and distribution networks.

iii. water and waste infrastructure, including water utilities and/or circular economy (promotion of the redesign of products and systems to minimize waste and enable greater recycling, reuse of materials, and methane capture for renewable natural gas).

iv. clean technology, including grid modernization, energy efficiency, smart grid technology and efficient materials and equipment.

v. data storage and transmission.

The above business activities are either directly defined as sustainable activities by EU Taxonomy standards or are determined by the Investment Manager to have similar positive environmental and / or social characteristics to sustainable business activities.

The Fund’s investment process examines the magnitude of companies’ impact towards the environmental and / or social objectives to which the Fund’s sustainable investments will contribute. The Investment Manager believes that these objectives must work interdependently to achieve the best possible outcome for companies and their investors and that companies making critical investments in resources seeking to mitigate reliance on fossil fuel-based infrastructure while promoting clean resource consumption are integral to the world’s transformation towards a sustainable future. The Investment Manager seeks to support companies that demonstrate substantially reduced investments in fossil fuel generation (specifically coal) and prioritizes companies that (i) have reduced and ultimately exited all coal operations; or (ii) have never been involved with coal operations. In addition, the Investment Manager believes that natural gas, as a low carbon fuel source, is a pragmatic resource in the absence of renewable energy storage to ensure both an affordable and reliable energy system.

On an annual basis, the Investment Manager reviews all investee companies held in the Fund's portfolio by assessing investee companies' reported revenue, cash flow, regulated asset base, and/or capital expenditures directly from investee company materials as a primary source and other third party data providers as a secondary source. If an investee company is non-compliant with the 50% threshold set out above, the Investment Manager further assesses the investment opportunity to engage with the investee company or will divest the Fund's position due to a change in fundamental business activities that no longer align with the objectives of the Fund.

(2) Exclusionary Screening

The Fund applies certain exclusions to the portfolio in order to mitigate the impact of fossil fuels. The Investment Manager uses these exclusions to identify appropriate companies that do not have high thresholds of carbon intensity. All screening is carried out internally by the Investment Manager and no external sources are used to aid the screening process. The additional screening criteria can be found in the 'binding elements' section of the Fund's Annex III.

(3) SDG Alignment

The Fund measures UN SDG alignment to assist in determining whether the Fund's sustainable investments meet the environmental and social objectives (listed at (i) to (iii) above). The Investment Manager has determined that each investee company's business activities, as defined above, should align with at least three of the following SDGs:

- SDG 6: Clean Water & Sanitation – ensure availability and sustainable management of water and sanitation for all
- SDG 7: Affordable & Clean Energy – ensure access to affordable, reliable, sustainable, and modern energy for all
- SDG 9: Industry, Innovation & Infrastructure – build resilient infrastructure, promote inclusive sustainable industrialization and foster innovation
  - Target 9.4 – upgrading infrastructure for sustainability & efficiency
- SDG 12: Responsible Consumption & Production – ensure sustainable consumption and production patterns
  - Target 12.2 – achieve sustainable management and efficient use of natural resources
  - Target 12A – support developing countries to move towards sustainable patterns of consumption & production
  - Target 12C – rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption

- SDG 13: Climate Action – take urgent action to combat climate change and its impacts

The Investment Manager reviews investee company SDG alignment at the point of investible universe inclusion and determines SDG Alignment via explicit investee company disclosures or the Investment Manager's self-assessment of the investee company's activities and alignment to the SDGs. Alignment is determined on a "yes" or "no" basis based on the eligible investment criteria business activities that are determined to be positive contributors to climate change adaptation and/or climate change mitigation. If an investee company does not align to 3 of the 5 SDG's listed above, they are not included in the investible universe of the Fund.

SDG alignment is also reviewed on an annual basis. If an investee company no longer aligns to 3 of the 5 SDG's listed above, the Investment Manager assesses the investment opportunity to engage with the investee company or will divest the Fund's position due to a change in fundamental business activities that no longer align with the objectives of the Fund.

(4) Weighted Average Carbon Intensity (or WACI)

In accordance with its sustainable investment objective, the Investment Manager measures the WACI of the Fund and the trajectory of the Fund's WACI, for any given measurable period (e.g. annual), and projections of the Fund's WACI to 2030 to measure the Fund's potential net zero alignment. The measurement of the WACI trajectory is to determine that the Fund is making considerable reduction efforts by measuring the individual investee company's contribution to the overall WACI of the Fund. The trajectory, while not limited by an underlying benchmark or specific target, is measured to demonstrate positive environmental progress of the carbon intensity of investee companies. The intention of the measurement is to demonstrate progress from any measurement period (e.g. calendar year) through 2030, an intermediate time period to assess progress towards net zero alignment.

The Investment Manager analyses the portfolio's WACI and the efforts made by the underlying investee companies. Carbon reduction efforts are ratified through internal analysis of an investee company's business plan alignment to positive contributing activities to climate change adaptation and mitigation, and are supported by third party analysis such as the Science Based Targets (SBTi). Given the eligible investment criteria for an investee company includes physical assets that may be carbon emitting (e.g. coal power), a significant reduction effort is constituted by achieving the following: planned investments in positive contribution activities that lower the operational emissions of an activity and/or the shut-down of high emitting assets. If a business activity is not a physical asset such as a power plant or transmission line, a significant reduction effort is achieved via scope 2 emissions reduction policies leading to increased use of low to zero emission power sources for the business activity and a stated commitment by the investee company to use more renewable sources of power. If an investee company does not have a reduction target or initiatives to reduce absolute emissions, the Investment Manager uses the absence of these targets as an opportunity to engage with the investee company further and better understand their long-term climate and energy transition strategy. While an investee company is not required to have an emissions reduction target, the Investment Manager expects operational efforts by the investee company to reduce the carbon intensity of business activities.

Data sources and processing

In connection with its sustainable investment objective on behalf of the Fund, the Investment Manager utilizes internal research developed from its review and analysis of direct company materials, regulatory filings and materials published by organizations such as Institutional Shareholder Services (ISS), Carbon Disclosure Project (CDP), Science Based Targets Initiative (SBTi), and third-party ESG systems that collect data from different external providers such as MSCI ESG Manager. Data quality is ensured through company engagement and annual due diligence on third party data providers. The Investment Manager primarily relies on data provided through company sustainability reports and engagement with management teams. Third party data is utilized to support bottom-up fundamental analysis and augment the screening process and data visibility. Data is processed to confirm the binding elements of the strategy, in company write-ups, investment theses, and to support proprietary valuation model inputs. We cannot determine the proportion of data that is estimated.

Limitations to methodologies and data

In connection with its sustainable investment assessments on behalf of the Fund, the Investment Manager is dependent upon information and data that may be incomplete, inaccurate or unavailable and may encounter certain limitations related to its methodologies and the data available to it. These limitations could adversely affect the Investment Manager's methodologies relevant to a particular Fund investment or holding. Such limitations may include the lack of uniform regulatory regimes around the globe requiring the relevant disclosures of operating companies, the lack of otherwise relevant data regarding certain operating companies, limited transparency on the sources underlying such data that is available regarding certain operating companies, the frequency and timeliness with which such data is made available or updated, and the lack of universally-accepted ESG/Sustainability oriented metrics across industries. The Investment Manager seeks to address these challenges by engaging directly with the companies and relevant industry groups, and monitoring company news regularly. In addition, the Fund invests in publicly listed companies and can only act on information that is publicly available.

Due diligence

All issuers of equities and/or corporate bonds, as appropriate, are subject to sustainability analysis before their securities are purchased and ongoing analysis during the pendency of an investment. This includes impact on climate change and other environmental issues, negative impacts on social and employee matters, human rights, and the fight against corruption and bribery. The Investment Manager's analysis covers the following topics: (a) involvement in controversial business practices based on internationally recognised norms, including the UN Global Compact; (b) management of sustainability risks: in addition to internal ESG ratings and scores, key performance indicators (including, but not limited to, workforce safety, carbon intensity per kilowatt hour, carbon emission reductions from a baseline year, and the percentage of fossil fuels held as part of a portfolio) are also taken into account; (c) a climate rating for measuring the transition to a low-carbon economy; and (d) compliance of companies with the objectives of the Paris Agreement adopted under the United Nations Framework Convention on Climate Change.

In addition, the Investment Manager may also rely on the sustainability assessment of an external provider, MSCI ESG Manager, to evaluate the above criteria. External data providers collect information from companies or issuers on how they deal with the above-mentioned sustainability issues and generally also assess these and make this information available to the company. The Investment Manager actively monitors relevant press releases, research and news updates, in addition to information in the sustainability assessments of external data providers regarding a potential violation of the ten principles of the UN Global Compact.

Engagement policies

The primary means through which the Investment Manager engages with companies is direct meetings and conversations with management teams. The Investment Manager's staff is very well acquainted with the management teams of the companies in which the Fund invests, holding hundreds of face-to-face meetings each year. The Investment Manager regularly engages with teams on all issues, including ESG practices. The goal of the Investment Manager's engagements is to persuade management teams to employ best practices around corporate governance and to incorporate strategies that promote sustainable, long-term growth.

In addition, the Investment Manager has engaged Institutional Shareholder Services Inc. ("ISS"), an independent, third-party subject matter expert, to act as the Fund's agent to vote proxies. The Investment Manager has adopted ISS' Proxy Voting Guidelines and believes that utilizing an independent third party's framework and analysis helps to ensure that all proxy voting decisions are made in the best interest of the Investment Manager's clients, including the Fund. While the Fund utilizes ISS to facilitate its proxy voting process, the investment team has final voting power for each proxy proposal. Economic benefit to the Fund's shareholders is a top concern when voting proxies, and the Investment Manager believes that governance and sustainability considerations are integral to a company's ability to generate long-term returns. The Investment Manager considers sustainability and ESG issues when evaluating proxies.

Please access our Proxy Voting and Engagement Guidelines at the following weblink:
https://publicsecurities.brookfield.com/sites/brookfield-psg-v3/files/brookfield-psg/responsible-investing/Brookfield_PSG_Proxy_Voting_and_Engagement_Guidelines.pdf

Attainment of the sustainable investment objective

The Fund does not currently have a reference benchmark designated for the purpose of attaining the sustainable investment objective.